

# FISCAL NOTE

## HB 2545 - SB 2691

February 12, 1998

**SUMMARY OF BILL:** Includes in the basic education program (BEP) formula an amount of money sufficient to fund one alternative school per local education agency for suspended or expelled students in grades K-12 or one alternative school per 10,000 students, if a local education agency has a total enrollment of 10,000 or more students in grades K-12. At least one alternative school shall be established and available for students in grades K-12 who have been suspended or expelled. Present law requires that at least one alternative school be established for students in grades 7-12.

### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - Exceeds \$100,000**

**Increase Local Govt. Expenditures\* - Exceeds \$100,000**

Such increased expenditures will depend on the number of additional alternative schools that will be required under the provisions of the bill. The BEP formula already contains an alternative school component which funds each system at \$2.32 per total K-12 ADM plus \$19.48 per ADM in grades 7-12. This generated a statewide total of approximately \$9.4 million in the BEP formula for 1997-98 for local education agencies.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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